



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Linda Breathitt
Commissioner

August 20, 2014

PARTIES OF RECORD

RE: Case No. 2014-00250
Joint Application of Amerigas Partners, LP, and Commercial Propane Service LLC for Approval of Commercial Propane Service LLC's Acquisition of Amerigas Partners, LP's Utility Assets in Old Bridge Subdivision, Danville, Kentucky

Attached is a copy of a memorandum, which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Virginia Gregg, Staff Attorney, at (502) 782-2584.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

VG
Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File

FROM: Virginia Gregg, Staff Attorney

DATE: August 20, 2014

RE: Informal Conference
Case No. 2014-00250
Joint Application of Amerigas Partners, LP, and Commercial Propane Service LLC for Approval of Commercial Propane Service LLC's Acquisition of Amerigas Partners, LP's Utility Assets in Old Bridge Subdivision, Danville, Kentucky

On August 15, 2014, the Commission held an informal conference in this case in the Commission's offices in Frankfort, Kentucky. Present were those persons whose names appear on the attached sign-in sheet, attached hereto and incorporated herein as "Exhibit A". Amerigas Partners, LP ("Amerigas") and Commercial Propane Service LLC ("CPS"), hereinafter ("Joint Applicants") requested the conference.

Staff and the Joint Applicants discussed several issues pertaining to CPS's proposed acquisition of Amerigas's utility assets in Old Bridge Subdivision, Danville, Kentucky. Counsel for Joint Applicants distributed a five-page exhibit, a copy of which is attached hereto and incorporated herein as "Exhibit B," which was reviewed and discussed by the Joint Applicants and Staff. In addition, Staff questioned the status of Amerigas's 2013 Annual Report, which has not yet been filed with the Commission. Counsel for the Joint Applicants stated that the Annual Report was being prepared and would be filed in the near future. Staff indicated that the filing of this report was necessary to its review of the pending application. In response to questions from Staff, it was represented that each customer of the Old Bridge utility was notified via letter of the proposed transfer of the utility assets from Amerigas to CPS.

Other issues discussed were the number of customers; the applicability of the current five year Distribution Integrity Management Plan, possible modification of how the gas cost adjustment is calculated; CPS's plan to retain the same accounting firm that has worked with the utility since its inception, due to its familiarity with what is required for the Annual Report; and whether there are any tax implications regarding the date of transfer. Joint Applicants stated that they would like the transfer to be completed prior to the 2014-15 heating season.

The conference then adjourned.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF AMERIGAS)
PARTNERS, LP, AND COMMERCIAL) CASE NO.
PROPANE SERVICE LLC FOR APPROVAL OF) 2014-00250
COMMERCIAL PROPANE SERVICE LLC FOR)
APPROVAL OF COMMERCIAL PROPANE)
SERVICE LLC'S ACQUISITION OF AMERIGAS)
PARTNERS, LP'S UTILITY ASSETS IN OLD)
BRIDGE SUBDIVISION, DANVILLE, KENTUCKY)

August 15, 2014

Please sign in:

NAME

REPRESENTING

<u>Jonathan Beyer</u>	<u>PSC</u>
<u>JEFF SHAW</u>	<u>PSC - FA</u>
<u>Leah Faulkner</u>	<u>PSC - FA</u>
<u>[Signature]</u>	<u>Commercial Propane Serv.</u>
<u>Rick Harris</u>	<u>Amerigas</u>
<u>Jason Hunt</u>	<u>PSC - Engineering</u>
<u>GARY GLOVER</u>	<u>PSC - ENGINEERING</u>
<u>Erol K Wagner</u>	<u>PSC - FA</u>
<u>JOE MAONCEAR</u>	<u>SKO - Amerigas</u>
<u>Adrian Roberts</u>	<u>Commercial Propane Svc.</u>
<u>Duncan Crosby</u>	<u>SKO for Ameri Gas</u>

Case No. 2014-00250
August 15, 2014

NAME

Virginia Gregg

REPRESENTING

PSC-legal

The Old Bridge Utility System at a Glance

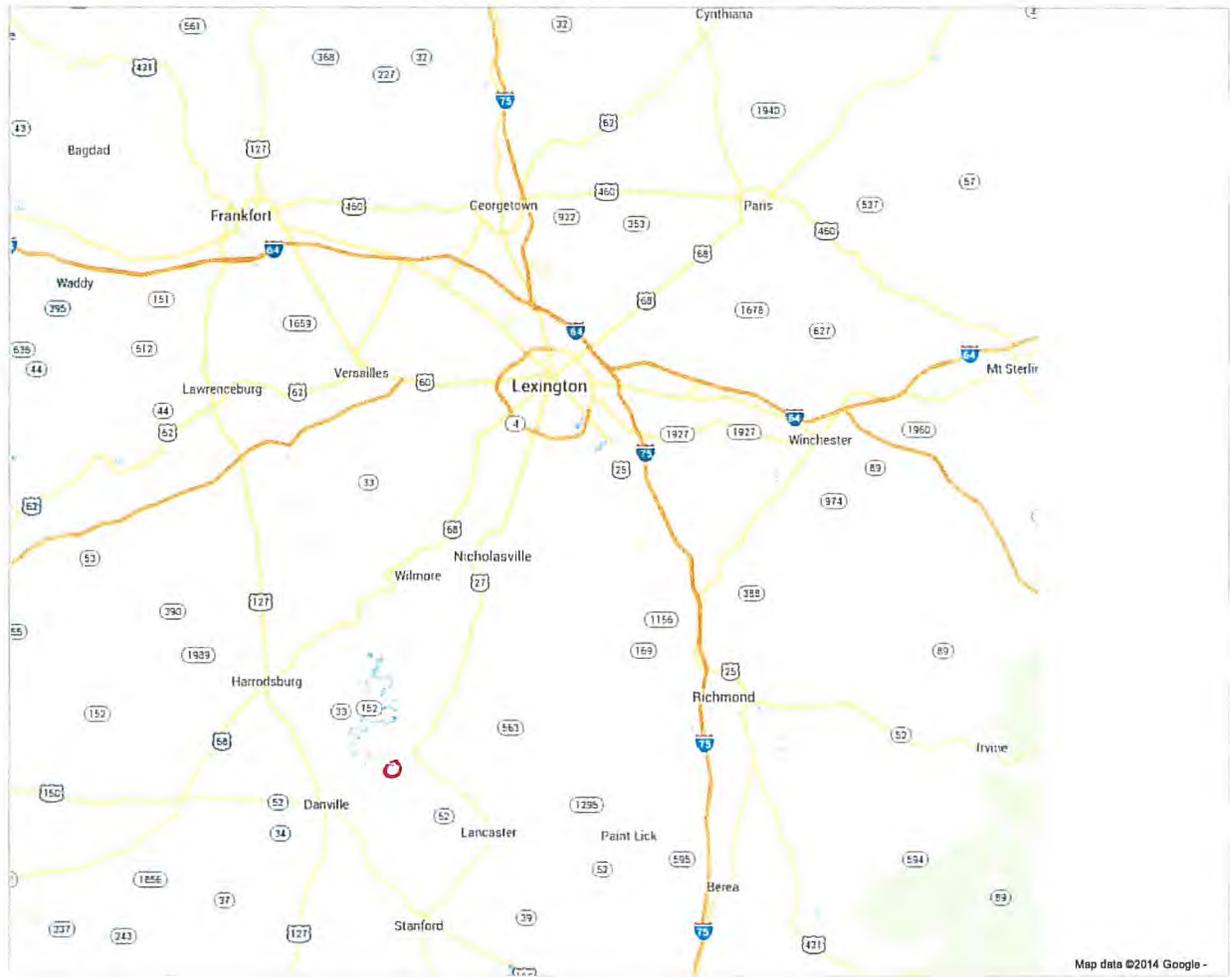
- Serves the Old Bridge neighborhood outside Danville
- Utility system components
 - 1 18,000-gallon above-ground supply tank
 - 3 1,000-gallon below-ground supply tanks
 - 1 mile of 2" plastic gas main
 - 65 customer meters
- System is leak-free and in good condition
- 60 customers (5th fewest gas customers in Kentucky)
- 586 Mcf sold (2nd least gas sold in Kentucky)
- 9.77 Mcf sold per customer on average (least in Kentucky)
- \$55,838 in gas-service revenues

Commercial Propane Service LLC at a Glance

- Almost \$600,000 in assets
- Owner and founder Mike Roberts has over 35 years of experience in propane business
- Began retail bottled-propane business in November 2013
 - Over 80 customers
 - Over 60,000 gallons sold
- Have built, installed, and serviced propane plants, storage tanks, and equipment in over 15 states for numerous customers, including AmeriGas
- Has an A+ rating with the Better Business Bureau
- Has necessary LP Gas License from Commonwealth of Kentucky
- Adrian Roberts manages business operations day-to-day, has five years of experience with CPS and a bachelor's degree in business management
- CPS has the financial, technical, and managerial expertise and resources to continue operating Old Bridge system as a utility, which it intends to do indefinitely

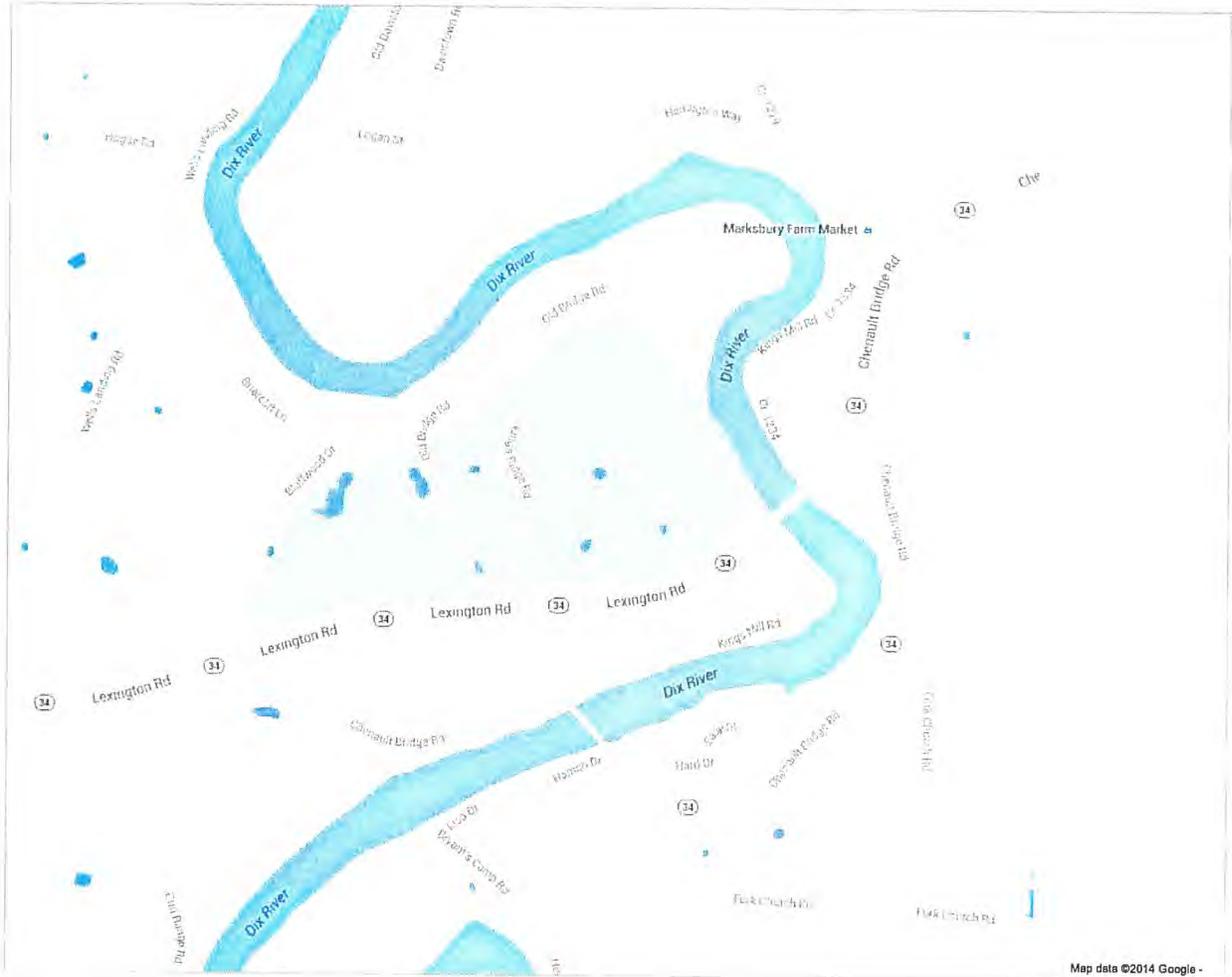


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To see all the details that are visible on the screen, use the "Print" link next to the map.





COMMERCIAL PROPANE SERVICE LLC

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Storage Tanks

- New and used propane storage tanks ranging from 6,000-90,000 gallons. Please contact us for more details.
- All types and sizes of new propane storage tanks and NH₃ (ammonia) tanks. From 1,000 to 120,000 gallon propane storage tanks.
- We also buy propane storage tanks and NH₃ ammonia tanks. We can do complete tank acquisitions, plant facilities, and pipe and equipment removals.

We Buy and Sell Propane/LPG Storage Tanks in: Alabama, Georgia, Indiana, Illinois, Kentucky, Maryland, Mississippi, New Jersey, North Carolina, New York, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia





270-699-9437

Email us: MikeRobertsCPS@propane.com